AMENDED IN SENATE APRIL 26, 2016 AMENDED IN SENATE MARCH 29, 2016

SENATE BILL

No. 1199

Introduced by Senator Hall

(Coauthor: Assembly Member Burke)

February 18, 2016

An act to amend add Section 5273 of 5273.1 to the Business and Professions Code, relating to outdoor advertising.

LEGISLATIVE COUNSEL'S DIGEST

SB 1199, as amended, Hall. Advertising displays: redevelopment agency project areas. City of Inglewood.

Existing law, the Outdoor Advertising Act, provides for the regulation by the Department of Transportation of advertising displays, as defined, within view of public highways. The act regulates the placement of off-premises advertising displays along highways that generally advertise business conducted or services rendered or goods produced or sold at a location other than the property upon which the display is located. A violation of the act is a crime.

The act also provides that an advertising display advertising businesses and activities developed within the boundary limits of, and as a part of, an individual redevelopment agency project, as those project boundaries existed on December 29, 2011, may remain and be considered an on-premises display, until January 1, 2023, if the advertising display meets specified criteria. The act further authorizes, on and after January 1, 2022, the applicable city, county, or city and county to request from the department an extension for good cause, as specified, beyond January 1, 2023, not to exceed the expiration of the redevelopment project area.

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This bill would expand these authorize under similar provisions to include the advertising of businesses or activities operating outside the a redevelopment project, project area but within the boundaries of the city, county, or city and county that contained the redevelopment project. By expanding the scope of the Outdoor Advertising Act, a violation of which is a crime, City of Inglewood. The bill would impose certain duties on the City of Inglewood regarding advertising display. By increasing the level of service provided by the city, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

The bill would also make findings and declarations as to the need for a special statute relating to the City of Inglewood.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 5273.1 is added to the Business and 2 Professions Code, to read:
- 5273.1. (a) Notwithstanding Section 5273 and the dissolution of a state redevelopment agency, and subject to subdivision (b),
- 5 for purposes of this section, an advertising display location that
- 6 advertised businesses and activities within the boundary limits of
- 7 the City of Inglewood may continue to exist and advertise
- 8 businesses or activities operating outside the redevelopment project
- area. It shall be considered an on-premises display, as defined in
- 10 Section 5490, if the advertising display meets all of the following
- 11 conditions:

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(1) The advertising display is located within the boundary limits of the City of Inglewood.

- (2) The advertising display was constructed on or before January 1, 2012.
- (3) The advertising display is adjacent to Interstate 405 and located at either post mile 22.36L or 22.38L north of Century Boulevard.
- (4) The advertising display does not cause the reduction of federal aid highway funds provided pursuant to Section 131 of Title 23 of the United States Code. If an advertising display authorized under this section is subject to a notice from the United States Department of Transportation, the Federal Highway Administration, or any other applicable federal agency to the state that the operation of that display will result in the reduction of federal aid highway funds as provided in Section 131 of Title 23 of the United States Code, the display owner or operator shall remove all advertising copy from the display within 60 days after the date the state notifies the owner or operator, and the City of Inglewood, by certified mail, of the receipt of the federal notice. Failure to remove the advertising copy pursuant to this paragraph shall result in a civil fine, imposed by the California Department of Transportation, of ten thousand dollars (\$10,000) per day until the advertising copy is removed. The department shall not assume any liability in connection with the cessation of operation or removal of an advertising display or advertising copy pursuant to this paragraph. If the name of the owner or operator of the display is not indicated on the display, the state is only required to send the notice to the City of Inglewood.
- (b) An advertising display described in subdivision (a) may remain until January 1, 2023, after which date the display shall be removed, unless it otherwise qualifies as a lawful advertising display pursuant to this section, without the payment of any compensation to the owner or operator. On and after January 1, 2022, the City of Inglewood may for good cause request from the department an extension beyond January 1, 2023, not to exceed the expiration of the redevelopment project area. "Good cause" for these purposes means that all of the following are satisfied: (1) there has been a finding by the City of Inglewood that the advertising display has had a positive economic impact on the redevelopment project area and provides a public benefit, (2) there

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have been no violations by the display owner or operator of this section or of any applicable illumination standards in the previous 10 years that have not been corrected within 30 days of the date of mailing of a violation notice to the owner or operator by the department, and (3) there has been compliance by the owner and operator with all other standards adopted by the City of Inglewood or by the department.

- (c) The City of Inglewood shall be responsible for ensuring that an advertising display is consistent with this section and provides a public benefit. This provision shall not be construed to preclude any enforcement authority of the department under this chapter.
- (d) The City of Inglewood shall annually certify to the department, by December 31 of each year, that at least 10 percent of the advertising copy, up to a maximum of 100 square feet, is used to display the address or location or locations of the business or activity or to identify the route to the business or activity from the nearest freeway offramp. The department may independently review compliance with this certification. An advertising display subject to this section shall be removed if it is in violation of this section more than three times within a 10-year period and the violation has not been corrected within 30 days of the date of mailing of a violation notice to the owner or operator by the department.
- (e) The City of Inglewood shall have primary responsibility for ensuring that the advertising display authorized pursuant to this section remains in conformance with all of the provisions of this section. If the City of Inglewood fails to do so within 30 days of the date of mailing of a notice to the city by the department, the city shall hold the department harmless and indemnify the department for all costs incurred by the department to ensure compliance with this section or to defend actions challenging the authorization of displays pursuant to this section.
- SEC. 2. If the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.
- SEC. 3. Due to unique circumstances concerning the location of the advertising displays, or proposed advertising displays, set forth in this act and the need for advertising in that location, it is

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necessary that an exemption from some of the provisions of the Outdoor Advertising Act be provided for those displays, and the Legislature finds and declares that a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution.

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SECTION 1. Section 5273 of the Business and Professions Code is amended to read:

- 5273. (a) Notwithstanding the dissolution of a state redevelopment agency, and subject to subdivision (b), for purposes of this chapter, an advertising display advertising businesses and activities within the boundary limits of a city, county, or city and county that contained a redevelopment project, as the boundaries of the city, county, city and county, and redevelopment project existed on December 29, 2011, may continue to exist and be considered an on-premises display, as defined in Section 5490, if the advertising display meets all of the following conditions:
- (1) The advertising display is located within the boundary limits of the city, county, or city and county of the former redevelopment project.
- (2) The advertising display was constructed on or before January 1, 2012.
- (3) The advertising display does not cause the reduction of federal aid highway funds provided pursuant to Section 131 of Title 23 of the United States Code. If an advertising display authorized under this section is subject to a notice from the United States Department of Transportation, the Federal Highway Administration, or any other applicable federal agency to the state that the operation of that display will result in the reduction of federal aid highway funds as provided in Section 131 of Title 23 of the United States Code, the display owner or operator shall remove all advertising copy from the display within 60 days after the date the state notifies the owner or operator, and the applicable city, county, or city and county, by certified mail, of the receipt of the federal notice. Failure to remove the advertising copy pursuant to this paragraph shall result in a civil fine, imposed by the California Department of Transportation, of ten thousand dollars (\$10,000) per day until the advertising copy is removed. The department shall not assume any liability in connection with the cessation of operation or removal of an advertising display or advertising copy pursuant to this paragraph. If the name of the

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owner or operator of the display is not indicated on the display, the state is only required to send the notice to the applicable city, county, or city and county.

- (b) An advertising display described in subdivision (a) may remain until January 1, 2023, after which date the display shall be removed, unless it otherwise qualifies as a lawful advertising display pursuant to this chapter, without the payment of any compensation to the owner or operator. On and after January 1, 2022, the applicable city, county, or city and county may for good eause request from the department an extension beyond January 1, 2023, not to exceed the expiration of the redevelopment project area. "Good cause" for these purposes means that all of the following are satisfied: (1) there has been a finding by the applicable city, county, or city and county that the advertising display has had a positive economic impact on the redevelopment project area and provides a public benefit, (2) there have been no violations by the display owner or operator of this section or of any applicable illumination standards in the previous 10 years that have not been corrected within 30 days of the date of mailing of a violation notice to the owner or operator by the department, and (3) there has been compliance by the owner and operator with all other standards adopted by the applicable city, county, or city and county, or by the department.
- (c) The applicable city, county, or city and county shall be responsible for ensuring that an advertising display is consistent with this section and provides a public benefit. This provision shall not be construed to preclude any enforcement authority of the department under this chapter.
- (d) The applicable city, county, or city and county shall annually certify to the department, by December 31 of each year, that the advertising copy of the advertising display is advertising businesses or activities operating within the boundaries of the city, county, or city and county that adopted the redevelopment project area and that at least 10 percent of the advertising copy, up to a maximum of 100 square feet, is used to display the address or location or locations of the business or activity, or to identify the route to the business or activity from the nearest freeway offramp. The department may independently review compliance with this certification. An advertising display subject to this section shall be removed if it is in violation of this subdivision more than three

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times within a 10-year period and the violation has not been corrected within 30 days of the date of mailing of a violation notice to the owner or operator by the department.

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(e) The applicable city, county, or city and county authorizing an advertising display placed pursuant to this section shall have primary responsibility for ensuring that the display remains in conformance with all provisions of this section. If the city, county, or city and county fails to do so within 30 days of the date of mailing of a notice to the city, county, or city and county by the department, the city, county, or city and county shall hold the department harmless and indemnify the department for all costs incurred by the department to ensure compliance with this section or to defend actions challenging the authorization of displays pursuant to this section.

SEC. 2. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.